

EXHIBIT A

OCP Declaration

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

FRANCHISE GROUP, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-12480 (LSS)

(Jointly Administered)

Objection Deadline: March 25, 2025 at 4:00 p.m. (ET)

DISCLOSURE DECLARATION OF ORDINARY COURSE PROFESSIONAL

1. I, David W. Ghegan, hereby declare that the following is true to the best of my knowledge, information and belief:

2. I am a Partner of Troutman Pepper Locke LLP (formerly Troutman Pepper Hamilton Sanders LLP) (the “Firm”) which maintains offices at 600 Peachtree Street NE, Suite 3000, Atlanta, Georgia 30308.

¹ The Debtors in these chapter 11 cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy’s Newco, LLC (5404), Buddy’s Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260), Franchise Group Newco BHF, LLC (4123), Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies “Plus”, LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Debtors’ headquarters is located at 2371 Liberty Way, Virginia Beach, Virginia 23456.

3. This Declaration is submitted in connection with the *Order Authorizing (A) the Debtors to Retain, Employ, and Compensate Certain Professionals Utilized by the Debtors in the Ordinary Course of Business Effective as of the Petition Date and (B) Waiving Certain Information Requirements of Local Rule 2016-2* [Docket No. 355] (the “OCP Order”) of the United States Bankruptcy Court for the District of Delaware (the “Court”) dated December 6, 2024, authorizing the above-captioned debtors and debtors in possession (collectively, the “Debtors”) to retain certain professionals in the ordinary course of business during the pendency of the Debtors’ chapter 11 cases (the “Chapter 11 Cases”).

4. The Firm is a legal services firm.

5. The Firm has represented and advised the Debtors as legal counsel with respect to general corporate, governance, and transactional matters since 2018.

6. As of November 3, 2024, the Firm did not hold a retainer.

7. The Debtors have requested, and the Firm has agreed, to continue to provide services to the Debtors pursuant to section 327 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”) with respect to such matters.

8. The Firm’s current customary hourly rates, subject to change from time to time, range between: \$1,050 to \$1,960 for Partners; \$470 to \$2,250 for Counsel; \$270 to \$1,060 for Associates; and \$140 to \$620 for Paralegals. In the normal course of business, the Firm revises its regular hourly rates and advises that, effective January 1 of each year, the aforementioned rates will be revised to the regular hourly rates that will be in effect at that time. Per the Firm’s agreement with the Debtors, all fees are discounted by 10% off of the Firm’s standard hourly rates.

9. The Firm does keep in the ordinary course of business time records in one-tenth-of-an-hour increments.

10. To the best of my knowledge, formed after due inquiry, neither I nor any professional employed by the Firm is a relative of the United States Bankruptcy Judge assigned to these Chapter 11 Cases, and the Firm does not have any connection with the United States Bankruptcy Judge, the Office of the United States Trustee, or any person employed by the Office of the United States Trustee that would render the Firm's retention in these Chapter 11 Cases improper.

11. To the best of my knowledge, formed after due inquiry, neither I, the Firm, nor any professional thereof has any connection with, or currently represents, any of the Debtors' creditors or other parties in interest with respect to the matters upon which it is to be engaged.

12. In addition, although unascertainable at this time after due inquiry, by virtue of the magnitude of the Debtors' potential universe of creditors and the Firm's clients, the Firm may have in the past represented, currently represent, and may in the future represent entities and individuals that are creditors of the Debtors in matters entirely unrelated to the Debtors and their estates. The Firm does not and will not represent any such entity in connection with these pending Chapter 11 Cases and does not have any relationship with any creditor that would be adverse to the Debtors or their estates. I believe that the Firm's representation of such entities in matters entirely unrelated to the Debtors is not adverse to the Debtors' interests, or the interests of their creditors or estates in respect of the matters for which the Firm will be engaged, nor will such representation impair the Firm's ability to represent the Debtors in these Chapter 11 Cases.

13. The Firm's process of ascertaining whether it holds or represents an interest adverse to the Debtors, their estates, or any class of creditors or equity interest holders consists of the following: the Firm conducts a conflict check using conflicts-related software designed to flag

matters that might fall into the above-referenced categories. If such a matter is flagged, it is escalated for additional review.

14. Pursuant to rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), I obtained a list of interested parties (the “Interested Parties List”) from counsel to the Debtors, which includes the Debtors, their creditors, other parties in interest, and certain professionals employed in the above-captioned chapter 11 cases (the “Interested Parties”) and undertook a search for any connections between the Firm and the Interested Parties. The Firm’s review of such Interested Parties identified the connections listed on Exhibit A, including current and prior representations of such parties.

15. The Firm does not perform services for any of the Interested Parties that relate to the Debtors or the above-captioned chapter 11 cases, or have any relationship with any such person, their attorneys or their accountants that would be adverse to the Debtors or their estates.

16. In light of the foregoing, I believe that the Firm does not hold or represent any interest materially adverse to the Debtors, their estates, creditors, or equity interest holders, as identified to the Firm, with respect to the matter in which the Firm will be engaged.

17. In the past year, the Firm has been paid \$20,187.20 by the Debtors in respect of services rendered to the Debtors. In addition, the Firm has rendered services that have not yet been billed or that have been billed but with respect to which payment has not yet been received. The Firm is not currently owed any amounts on account of prepetition services.

18. I also understand the limitations on compensation and reimbursement of expenses under the OCP Order. Specifically, the Firm understands that in the event its fees and expenses exceed a total of \$50,000 per month, on average, over a rolling three-month period, the Firm will be required to file with the Court a fee application for approval of its fees and expenses for such

month in accordance with sections 330, 331, and 504(b) of the Bankruptcy Code, Bankruptcy Rule 2016, and rule 2016-1 of the Local Rules of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), and any applicable procedures or orders of the Court.


19. Except as set forth herein, no promises have been received by the Firm or any partner, associate, or other professional thereof as to compensation in connection with these Chapter 11 Cases other than in accordance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and orders of the Court.

20. The Firm further states that it has not shared, nor agreed to share any compensation received in connection with these Chapter 11 Cases with another party or person, other than as permitted by the Bankruptcy Rules.

21. The foregoing constitutes the statement of the Firm pursuant to sections 329 and 504 of the Bankruptcy Code and Bankruptcy Rules 2014 and 2016(b).

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

March 11, 2025



David W. Ghegan
Troutman Pepper Locke LLP
600 Peachtree Street NE
Suite 3000
Atlanta, Georgia 30308

Exhibit A

Clients:

Assurant Inc.
Coyote Logistics
Engie Resources, LLC (also affiliate of Client, Engie North America Inc.)
Google
Hartz Mountain – VMX – Hartz Mountain Industries, Inc.
Lowe's
Merrick Pet Foods Inc – Merrick Pet Care
Nestle
Meta
ODP Business Solutions (Office Depot)
Steve Silver Company
Surest/UnitedHealthcare Inc. – UnitedHealthcare
UPS (Ocean Freight)- UPS Company
United Parcel Services of America, Inc.
Vantage Opportunity Partners, L.P.
Whirlpool

Affiliates of Clients:

Elanco Product Company & Elanco Manufacturers (Affiliate of Client, Eli Lilly)
Natural Balance Pet Foods Inc. (Affiliate of Client, J.M. Smucker)
Nestle Purina Petcare Company (Affiliate of Client, Nestle)

Former Clients:

Albany Industries Inc.
Aquatic & Reptile - Central Garden & Pet
Ashley Furniture Industries Inc
Cramco Inc.
Elanco US Inc. – Elanco Product Company
Madix Inc.
Nestle Purina Petcare Company
Premier Nutrition Company, LLC
Radio Systems Corporation